WORK SESSION OF THE BRIGHAM CITY COUNCIL TO DISCUSS FUTURE DEVELOPMENT NOVEMBER 20, 2008 5:30 P.M.

PRESENT: Lou Ann Christensen Mayor

Bruce Christensen Councilmember Scott Ericson Councilmember Reese Jensen Councilmember Ruth Jensen Councilmember Bob Marabella Councilmember

ALSO PRESENT: Ben Boyce Director of Parks and Recreation

Jim Buchanan EMS Director
Mary Kate Christensen City Recorder

Blake Fonnesbeck Public Works Directors

Paul Larsen City Planner
Bruce Leonard City Administrator
Paul Tittensor Chief of Police

Alan Wright Director of Public Power

Mayor Christensen called the meeting to order. Mr. Mark Arnold came forward and said his company, National Land Investment, primarily acquires real estate and entitlement real estate. They have a long list of clients throughout the west. They do everything from selling the property to joint venturing with them. They rarely do any vertical construction; they occasionally do horizontal construction when preparing real estate for sale.

When the stock market dropped, the banks froze up. This affected them because it meant their lenders were not going to lend on raw ground any more because there were not any banks that would give anyone any money to build. They hope this is going to loosen up soon.

While he was the attorney for Layton City, they built a courthouse for the state and the state paid their indebtedness over a 20-year period and Layton City used the basement for their Police Department. The cost to Layton City was better than free because the state was paying Layton a lease payment to put the Police in their basement.

Mr. Arnold proposed that they build a new City Hall and lease it to the City. At the end of the indebtedness period they will give the building to the City. They have been discussing this possibility with the Mayor and staff. Businesses and contractors are hungry right now, and are offering great prices to work on projects.

Mr. Arnold said that when Layton City employees moved into their new City Hall, productivity went up. This is not something that is tangible, but it happened.

Mr. Arnold added that they would also be willing to remodel a building. They would have to purchase the building, remodel it and then lease it to the City. Generally, remodeling is more expensive.

Councilmember Christensen said while it is a good time to construct, it is a scarey time for citizens. Going to the citizens with the idea that a new facility is needed may not necessarily be the best timing. He agreed that there is a space needs problem and has been for several years. There are offices in closets and employees in the basement that was intended for a fallout shelter. Councilmember Reese Jensen said this option would be better than going to the citizens and asking for bond approval. Councilmember Marabella said if the council doesn't feel the citizens would pass a bond, this option would be circumventing the citizens. Councilmember Reese Jensen said this would not be incurring a large debt. Councilmember Marabella said the conservative citizen would suggest saving that payment every year for 5-10 years and then be financially sound with \$7 million in the bank. Councilmember Reese Jensen said that indicates that the space is really not needed now. Mr. Arnold added that \$7 million won't buy the same in 10 years.

Cory Moore from Big D Construction joined Phillip and Mark at the table. Mayor Christensen asked him to explain the option of remodeling an existing building. He explained that 90% of the time retrofitting a building

is more expensive. In addition, it is sometimes more difficult to get the adjacencies and spaces desired in an existing building compared to a building built from scratch.

Mr. Moore said it will take approximately 90 days to get financing. They can start construction before the design is completed. They could build a 50,000 sq ft building in eight months. A lot of it will depend on how long it takes to acquire property. He estimated it would cost \$160 a square foot, not including land costs.

This information will be turned over to the Space Needs Team. Mayor Christensen assigned Councilmember Marabella and Councilmember Ericson to the Team.

The meeting adjourned at 6:55 p.m.